

Message Text

UNCLASSIFIED

PAGE 01 VIENNA 04186 01 OF 02 060705Z

ACTION IO-14

INFO OCT-01 EUR-12 ISO-00 AF-10 ARA-14 EA-12 NEA-11
TRSE-00 OMB-01 ABF-01 ACDA-12 CIAE-00 INR-10 L-03
NSAE-00 NSC-05 EB-08 NRC-07 OES-07 SOE-02 DODE-00
SS-15 SP-02 CEQ-01 /148 W

-----033770 060711Z /11

R 060650Z MAY 78

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 6251

INFO USDOEHQ WASHDC

USDOEHQ GERMANTOWN

UNCLAS SECTION 01 OF 02 VIENNA 04186

USIAEA

DEPT PASS IO/SCT AND NRC

DOE PASS AMMONS, IA AND BARTELS, SS

E.O. 11652: N/A

TAGS: AORG, AFIN, IAEA

SUBJECT: IAEA BUDGET FOR 1979 - A&B COMMITTEE MEETING

DISCUSSION OF SAFEGUARDS PORTION OF BUDGET

REF: (A) STATE 110832, (B) STATE 110315

1. THREE ISSUES DOMINATED DISCUSSION OF SAFEGUARDS BUDGET:
A) PAKISTAN PROPOSAL TO INCLUDE IN SAFEGUARDS COSTS (FOR
PURPOSES OF APPLYING SAFEGUARDS FINANCING FORMULA) ALL
EXPENSES IN AGENCY'S NON-SAFEGUARDS PROGRAMS WHICH CAN BE
ATTRIBUTED TO SUPPORT OF SAFEGUARDS PROGRAM, I.E., SOME
FRACTION OF THE COSTS FOR ADMINISTRATION, GENERAL SERVICES,
ETC.; B) CONCERN FOR LARGE INCREASE (78 POSTS) IN SAFE-
GUARDS STAFF, AND C) JUSTIFICATION AND IMPLICATIONS OF
PROPOSED RECLASSIFICATION OF POSITION (TO DIRECTOR LEVEL)
OF HEAD OF SAFEGUARDS EVALUATION SECTION (SES). DELETION
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 04186 01 OF 02 060705Z

OF SPECIFIC MONEY OR POSITION IDENTIFIED IN DRAFT SAFE-
GUARDS BUDGET WERE NOT RPT NOT PROPOSED. IT IS NOT
POSSIBLE TO FORECAST AT THIS TIME WHETHER DIRGEN WILL CUT
SAFEGUARDS BUDGET AS PART OF HIS RESPONSE TO APPARENT
MAJORITY CONSENSUS THAT TOTAL IAEA BUDGET FOR 1979 MUST
BE CUT.

2. PAKISTAN DEL (SATTAR), SUPPORTED BY ROMANIA AND REPEATING PROPOSAL MADE AND DISCUSSED AT SOME LENGTH DURING EARLIER GENERAL DISCUSSION OF BUDGET, NOTED THAT SOME PART OF INCREASES IN COSTS OF NON-SAFEGUARDS ACTIVITIES SINCE 1976, SUCH AS INCREASES IN PERSONNEL DIVISION AND IN BUDGET AND FINANCE DIVISION, WERE INEVITABLY DUE TO PROVIDING SUPPORT FOR GROWTH IN SAFEGUARDS PROGRAM. HE CLAIMED THAT SPECIAL SAFEGUARDS FINANCING ARRANGEMENTS ADOPTED IN 1976 CALL FOR ALL SUCH INCREASES ATTRIBUTABLE TO SAFEGUARDS TO BE FINANCED IN *ACCORDANCE WITH SPECIAL FINANCING FOR SAFEGUARDS FROM THE 30 OR SO "AFFLUENT NATIONS." HE WANTED THE DIRGEN TO PREPARE REPORT FOR JUNE BOARD, IDENTIFYING SUCH INCREASES, AS A BASIS FOR BOARD TO DECIDE WHICH SHOULD BE INCLUDED IN SAFEGUARDS COSTS.

.3. CANADIAN DEL (HAFFEY) NOTED SATTAR'S QUESTION HAD NOT BEEN RAISED IN REVIEW OF THE TWO BUDGETS (1977 AND 1978) SINCE THE CURRENT SAFEGUARDS FINANCING ARRANGEMENTS HAD COME INTO EFFECT AND HE WONDERED, IN LIGHT OF THE REVIEW OF THESE ARRANGEMENTS SCHEDULED FOR 1980, WHETHER IT WOULD REALLY BE DESIRABLE TO ADDRESS THE MATTER AT THIS TIME. HE ALSO OBSERVED THAT SUCH A CHANGE MIGHT PRECIPITATE PARALLEL REVIEWS OF FINANCING COSTS
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 VIENNA 04186 01 OF 02 060705Z

ATTRIBUTABLE TO OTHER IAEA SPECIALLY FUNDED PROGRAMS (READ TECHNICAL ASSISTANCE PROGRAM). THE UK DEL IDENTIFIED ITSELF WITH THESE REMARKS.

4. ON SECOND MAJOR ISSUE - LARGE INCREASE IN SAFEGUARDS STAFF - SEVERAL DELEGATIONS EXPRESSED CONCERN (JAPAN, BELGIUM, ARGENTINA, FRG, ITALY, AND FRANCE) AND SOME REQUESTED MORE SPECIFIC JUSTIFICATION. JAPANESE DEL REQUESTED BREAKDOWN BY SECTIONS OF PROPOSED NEW STAFF FOR OPERATIONS DIVISIONS; TO WHICH DDG ROMETSCH REPLIED FAR EAST 5, NORTH AFRICA 6, EURATOM 21, NORTH AND CENTRAL EUROPE 2, SOUTH AND SOUTHEAST ASIA 4 (TOTAL 38). ROMETSCH ATTRIBUTED ABOUT 80 PERCENT OF THAT INCREASE TO COVER ADDITIONAL FACILITIES AND ADDITIONAL NUCLEAR MATERIAL WHICH WILL COME UNDER SAFEGUARDS AND ABOUT 20 PERCENT DUE TO UPGRADING EFFECTIVENESS AND REDEFINING SAFEGUARDS CRITERIA. ROMETSCH NOTED THAT 12 INSPECTORS WERE ATTRIBUTED TO APPLICATION OF SAFEGUARDS IN UK, USA AND FRANCE UNDER THEIR UNILATERAL OFFERS. ARGENTINE REP COMPLAINED THAT IAEA SAFEGUARDS IN UK, USA AND FRANCE MADE E

NO CONTRIBUTION TO NON-PROLIFERATION. THE OFFERS WERE MADE, HE CLAIMED, TO BALANCE COMMERCIAL CONCERNS AND THUS SHOULD NOT BE CHARGED AGAINST SAFEGUARDS BUDGET BUT RATHER SHOULD BE SEPARATELY FINANCED. UK DEL NOTED UK AND USA OFFERS DID HAVE POSITIVE, THOUGH INDIRECT, EFFECT ON NON-PROLIFERATION OBJECTIVES.

5. FRG DEL QUESTIONED WHETHER SUCH LARGE STAFF INCREASES COULD BE EFFECTIVELY ABSORBED BY AGENCY IN A YEAR'S TIME.

*HE ALSO SOUGHT (AND RECEIVED) MORE DETAILED EXPLANATION AS TO HOW INSPECTOR MANPOWER NEEDS WERE FORECAST. HE AND UNCLASSIFIED

UNCLASSIFIED

PAGE 04 VIENNA 04186 01 OF 02 060705Z

BELGIAN DEL NOTED THE UPWARD SHIFT IN AVERAGE GRADE OF P-LEVEL POSTS IN SAFEGUARDS DEPARTMENT (JUSTIFIED BY ROMETSCH ON BASIS OF NEED TO HIRE INSPECTORS WITH SUBSTANTIAL IN-

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 VIENNA 04186 02 OF 02 060709Z
ACTION IO-14

INFO OCT-01 EUR-12 ISO-00 AF-10 ARA-14 EA-12 NEA-11
TRSE-00 OMB-01 ABF-01 ACDA-12 CIAE-00 INR-10 L-03
NSAE-00 NSC-05 EB-08 NRC-07 OES-07 SOE-02 DODE-00
SS-15 SP-02 CEQ-01 /148 W
-----033781 060710Z /11

R 060650Z MAY 78
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC 6252
INFO USDOEHQ WASHDC
USDOEHQ GERMANTOWN

UNCLAS SECTION 02 OF 02 VIENNA 04186

PLANT EXPERIENCE). BELGIAN DEL ALSO URGED, IN ORDER TO REDUCE NEW INSPECTOR REQUIREMENTS, MAXIMUM USE BY AGENCY OF INFORMATION PROVIDED BY LOCAL SAFEGUARDS SYSTEM (READ EURATOM).

*6. THIRD MAJOR ISSUE - UPGRADING SES HEAD TO DIRECTOR-LEVEL POSITION, STARTED INNOCENTLY ENOUGH WITH REQUEST BY SEVERAL DELS (EGYPT, JAPAN, FRG, ITALY, BELGIUM) FOR ADDITIONAL JUSTIFICATION. SECRETARIAT GOT INTO DIFFICULTY THOUGH WHEN ASKED BY FRG DEL IF UPGRADING WAS MERELY RECOGNITION OF HIGH QUALITY OF INCUMBENT, OR A MOVE WITH ORGANIZATIONAL IMPLICATIONS, I.E., CREATION OF A NEW DIVISION WITHIN THE SAFEGUARDS DEPARTMENT. ROMETSCH REPLIED IT WAS LATTER OBJECTIVE, SINCE D-LEVEL STAFF NORMALLY HEADED DIVISIONS, NOT SECTIONS. AT THIS POINT, QUESTION WAS RAISED WHETHER BOARD WAS TO BE ASKED TO APPROVE CREATION OF THAT NEW DIVISION. DDG HALL RESPONDED THAT IF UPGRADING TO D-LEVEL WAS APPROVED BY BOARD, DIRGEN WOULD SUBSEQUENTLY DETERMINE WHETHER OR NOT NEW DIVISION WOULD BE CREATED. SEVERAL MEMBERS INDICATED UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 04186 02 OF 02 060709Z

CONCERN AND REQUESTED CLARIFICATION OF DIRGEN'S INTENTIONS AT JUNE BOARD MEETING.

7. ARGENTINE DEL NOTED SECRETARIAT COMMENT THAT ESTABLISHING REGIONAL OFFICES (DRAFT BUDGET PARA K.29) AND REDEFINITION OF SAFEGUARDS CRITERIA (DRAFT BUDGET PARA K.26) WOULD AFFECT THE SAFEGUARDS BUDGET FOR 1979. HE WANTED TO MAKE CLEAR HIS POSITION THAT SECRETARIAT SHOULD FIRST SEEK BOARD APPROVAL OF THE IMPORTANT SAFEGUARDS PRINCIPLES INVOLVED IN REDEFINITION OF SAFEGUARDS CRITERIA AND ESTABLISHING REGIONAL OFFICES, OUT OF WHICH APPROVAL MIGHT T FLOW LOGICAL CONCLUSIONS REGARDING MANPOWER NEEDS. HE DID NOT WANT THE SECRETARIAT TO BE INDIRECTLY OBTAINING APPROVAL FOR NEW AND SIGNIFICANT SAFEGUARDS POLICIES AS A BY-PRODUCT OF APPROVING A BUDGET WHICH SIMPLY, IN ONE SENTENCE, REFERS TO THOSE POLICIES.

8. U.S. DEL GAVE STATEMENT CONSISTENT WITH REFTELS AND NOTING THAT, ALTHOUGH 1979 SAFEGUARDS BUDGET INCREASE IS LARGE, WE FEEL IT IS BARE MINIMUM NEEDED, AS EVIDENCED BY OUR CONTINUED HIGH LEVEL OF EXTRA BUDGETARY ASSISTANCE TO SAFEGUARDS PROGRAM. FRG ALSO NOTED ITS PLANS FOR CONTINUING SAFEGUARDS SUPPORT PROGRAM WHICH IT WAS DISCUSSING WITH SECRETARIAT.

9. AUSTRALIAN DEL VOICED STRONG SUPPORT FOR PROPOSED SAFEGUARDS BUDGET. HE SUGGESTED POSSIBILITY THAT SUCH A LARGE INCREASE MUST BE SOUGHT NOW TO COMPENSATE FOR PAST PARSIMONY OF BOARD IN THIS AREA. KIRK

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978VIENNA04186
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780193-0675
Format: TEL
From: VIENNA USIAEA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780585/aaaacutm.tel
Line Count: 222
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d0f6b4a2-c288-dd11-92da-001cc4696bcc
Office: ACTION IO
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 110832, 78 STATE 110315
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2768681
Secure: OPEN
Status: NATIVE
Subject: IAEA BUDGET FOR 1979 - A&B COMMITTEE MEETING DISCUSSION OF SAFEGUARDS PORTION OF BUDGET
TAGS: AORG, AFIN, IAEA
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/d0f6b4a2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014